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ABSTRACT

This report briefly describes several dimensions of the youth unemployment problem and discusses 13 council recommendations for legislative consideration: (1) Consider the problem in a broad context which includes counseling, education, and skill training; (2) mesh programs and utilize existing resources at all governmental levels; (3) promote a major role by secondary and postsecondary vocational education; (4) provide for vocational education and training in conjunction with jobs and counseling in any youth public service job program; (5) examine existing programs before designing new ones; (6) require CETA and other legislation to coordinate efforts with other related programs; (7) expand the existing secondary vocational education work-study program to include all juniors and seniors; (8) establish Community Employment Education Centers for followup and referral services to clients of public service employment programs; (9) amend CETA to provide the establishment of uniform data systems; (10) amend CETA to promote cooperation with vocational education; (11) at the national level, establish a central authority to coordinate all educational, training, and placement efforts regarding unemployed youth with similar efforts made at the State level; (12) establish a pilot program guaranteeing 1-year employment for unemployed hard-core youth; and (13) establish greater cooperation between industry, labor, education, and manpower programs. (EM)

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YOUTH UNEMPLOYMENT

The Need for a Comprehensive Approach

A Report by

The National Advisory Council on Vocational Education

March, 1977

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YOUTH UNEMPLOYMENT --The Need for a Comprehensive Approach

Youth unemployment has many faces, and the severity of the problem varies from mild to extreme. Many youths classified as "unemployed" are sampling the labor market, and may be temporarily idle between jobs. Some youths who are out of work longer are from middle income families, live at home, and do not suffer immediate economic hardship. For others, especially minorities, lack of employment can mean severe economic hardship and is often a matter of survival for themselves and their families.

Even when it does not mean severe economic deprivation, youth unemployment has serious repercussions. Enforced idleness and a delay in the experimentation of job sampling can have a retardation effect on young workers in their formative years. It means a slowing down of their decision-making processes with respect to employment and careers, a late start on the career ladder, as well as loss of income. For many young people, prolonged unemployment results in disenchantment with the system and prevents them from ever gaining a firm hold on the concept of steady work as a major component of the individual's makeup. Some will turn permanently to criminal activities, which despite its risks, often yield easier and more lucrative rewards than do salaried occupations.

In 1975, teenagers (16-19) accounted for 22.3 percent (3.5 million) of the total number of the unemployed, although they represented

less than 10 percent of the total labor force. When the teenage range was broadened to include the 20 to 24 age group, then youth accounted for 45.5 percent of the total unemployment, while comprising only 25 percent of the labor force. Statistics on different aspects of the youth population show stark contrasts. For example, when only teenagers as a group are analyzed, it is found that for each group of 100 whites (16-19), 46.6 were employed, while for each group of 100 non-whites, 24.7 were employed. The unemployment rate for the age group 20-24 was 13.6 percent, which is 6.3 percent less than the rate of 19.9 percent for the 16-19 age group. Another statistical contrast is provided when urban and non-urban males are compared. The unemployment rate for teenage males (16-19) residing in metropolitan areas was 36.9 percent, while 24.1 percent of the teenage males living in non-metropolitan areas were unemployed.

Youth unemployment, of course, is just one facet of the larger unemployment picture and the even larger national macro-economic picture. National macro-economic policy should attempt to maximize employment by stimulating economic growth consistent with other national goals such as minimizing inflation, preserving energy, protecting the environment, and increasing foreign trade. Manpower or labor market policies should be developed to work in conjunction with macro-economic policies so that the unemployment situation at any particular time can be dealt with sensitively and humanely without jeopardizing the long term potential economic growth of the nation. The nature of the manpower and labor market policies and the mix of programs to be mounted should vary with the nature of the unemployment and the level of unemployment at that time and with the mix of individuals seeking work.

It should be recognized that total employment has been increasing at an impressive rate, but not rapidly enough to absorb the accelerated increase in the labor force. Total employment increased from 72,900,000 in 1966 to 87,980,000 in 1976. However, during this period population increased 19 percent and the labor force increased by 26 percent. One of the principle reasons for the large increase in the labor force is that the female labor force increased by 42 percent, while the male labor force increased by 17 percent. In addition, youth in the labor force increased by 34 percent from 6,557,000 to 8,839,000.

The other side of the coin is that the demographic characteristics of the population are such that by 1980 we may anticipate a sharp reduction in the rate of new accession to the labor force, creating the strong possibility of worker shortages in the entrance categories. By the end of the century, youth unemployment may not be an issue at all. The issue may be, instead, the retraining of adult and retired persons to fill vacant job slots. This fact further accentuates the need to deal with unemployment on a year by year basis with efforts targeted toward resolving the unemployment problems of specific groups.

Many proposals have been advanced to deal with the problem of youth unemployment, by both the present and past Administrations and by Members of Congress. These include various approaches, such as creation of public service jobs to provide work for up to 750,000 young people at an estimated cost of $1.9 billion to $2.8 billion, expansion of the Job Corps and training programs under CETA, wage subsidies and tax credits to private employers for job creation and training, and special job creation programs for black urban teenagers.

There are good points in many of these numerous proposals, and the National Advisory Council on Vocational Education hopes that the Administration and Congress will put together a package which represents the best features of each in order to effectively alleviate the problems associated with youth unemployment. The National Advisory Council does not intend to comment on the specifics of each proposed bill at this time, but will make some general recommendations which it hopes will be considered as the development of this legislation proceeds.

The direct purpose of current legislative efforts to reduce youth unemployment is to provide jobs, as well as to stimulate the Nation's economy. We believe, however, that the problem of youth unemployment must be considered in a broader context which includes counseling, education and skill training. We will not meet our responsibilities by simply appropriating large sums of money to create temporary public service jobs or subsidized jobs in the private sector for the sake of reducing this year's unemployment statistics.

Many of the public service jobs envisioned, such as repair and renovation work, neighborhood rehabilitation, public land improvement, and energy conservation activities like home insulation, will provide employment and income to the participating youth during the period of the program. But these jobs will not, in themselves, provide the skills or experience needed to qualify the participant to compete later for related jobs in the private sector. The jobs will provide valid experimentation for the youth, as well as a limited income. When the public job is finished, however, and the public money depleted, the youth in question will be back on the unemployment roll, having been

exposed to an experiment and to expectations which faded as the program ended. For example, a young person who helps insulate houses will learn a great deal about weather-proofing buildings. But that limited knowledge alone will not enable the person to obtain work in the private sector. The insulating of most of the buildings in town will have been completed under the public service program. The need for building insulators in that area will decrease, and private firms will not be looking for workers with this skill.

If, however, the job of insulating houses sparks an interest in related areas, such as carpentry or air-conditioning and heating, and if, through experimentation with the insulating job, the individual is counseled into a related education and training program, chances are much greater that he or she will subsequently be equipped to compete for jobs in the private sector.

If a public service jobs program for youth encourages or requires that there be an equal emphasis on education and training, a greater number of youths could be served, and the end product will yield greater benefits for the individual youth and for the program overall. For example, if there were 1,200 public service job slots for full-time insulators, and one-third of the participants were counseled into related skill training programs, and worked only half-time, then 400 of the slots would be occupied by half-time people This could, depending upon linkages with other programs, open up 400 additional half-time slots. It might be necessary to pay stipends to some of the half-time workers to enable them to continue in the training program. In some cases, these stipends may be available under

related education or training programs. Even if money for some stipends came directly from the public service job program, there would still be additional money to fill some of the half-time slots which would be open under this approach.

This will require careful and deliberate meshing of programs and total utilization of existing resources from the Federal level down to the local community level, where the prime sponsors, the educators, business, labor and youth in question, live and work.

It should be a general policy that any program dealing with youth unemployment provide vocational education and training in conjunction with jobs, as well as counseling which can take advantage of the job experience to lead the young person into a training program after the temporary employment is terminated. The skill training can take place under a variety of programs, but vocational education, with its on-going programs, resources and facilities, should play a major role.

Before starting new programs, Congress should examine existing programs to determine which can be expanded to meet the needs. It should determine how all existing programs, as well as new programs, might be tightly linked so as to "represent a consistent, integrated and coordinated approach" to meeting the Nation's employment and training needs. The quote is from the Vocational Education Amendments of 1976 (P.L. 94-482, Title II). This Act places strong emphasis throughout on provisions requiring coordination with manpower and other related programs. We urge Congress to study these provisions carefully, and to give careful consideration to incorporating

similar requirements in CETA and other legislation dealing with employment and training.

The Act requires that a representative of the State Manpower Services Council under CETA be actively involved in the development of the long-range and annual program plans for vocational education. The CETA council may appeal to the U.S. Commissioner of Education and to the Federal courts if dissatisfied with the provisions of the vocational education state plans. Each local recipient of funds under the Act must describe in its application how its programs have been coordinated with those of the local CETA prime sponsor. The National Advisory Council on Vocational Education and the National Commission for Manpower Policy are required to have cross-representation of membership. Each State Advisory Council on Vocational Education and each State Manpower Services Council are to have cross-representation. Together, these groups are to identify the vocational education, employment and training needs of the nation, and each state, and assess the extent to which programs under all acts represent a coordinated approach.

There are many other provisions of the Vocational Education Amendments which could be expanded and linked to new or existing employment and training programs to enhance the value of a temporary job creation program. One of the most important areas is guidance and counseling. The needs, circumstances, and aspirations of unemployed youth differ greatly. It would be extremely short-sighted to simply match up bodies with job slots without reference to an on-going guidance and counseling program. Counseling could direct

many young people into a work-study situation. The interests sparked by the job could lead others into follow-up skill training programs at the post-secondary level, if counseling were an integrated part of the job program. If this interest is not captured and directed, these young people will become tomorrow's unemployed adults.

In its Second Report in 1969, the National Advisory Council on Vocational Education expressed concern for persons flowing into the pool of unemployed as well as for those already among the unemployed. It recommended that the Federal government invest at least as much money in reducing the flow of untrained youth as it invests in reducing the pool of unemployed. No single approach or single program will provide the skill training and counseling services needed to meet the needs of all young people. Only a deliberate commitment to cooperation and coordination can provide the full range of approaches and services needed.

The National Advisory Council on Vocational Education endorses a recommendation by Dr. John Porter, Superintendent of Public Instruction for the State of Michigan, and member of the National Commission for Manpower Policy. He suggests that, concurrent with the establishment of CETA public employment programs, there be established a secondary school youth work-study program for all enrolled, eligible juniors and seniors. This would tend to keep the focus on schooling as the major occupation for 16, 17 and 18 year olds, and would give the schools a more prominent focus for noncollegiate-bound students. It would also help stem the flow of youth into the pool of the unemployed. The vocational education work-study program is in place and could be expanded to provide that focus.

The majority of persons included in youth unemployment statistics are still of school age. The purpose of work-study programs is to provide needy students with sufficient income to permit them to remain in school. The old wage limitations in the work-study program have been removed under the new Vocational Education Amendments. An expanded work-study program, with adequate funding, coordinated with CETA and with good counseling services, and articulation with community colleges and other post-secondary institutions, could be a means of luring some of the drop-outs back into the school system. The student should be able to move in a logical progression from secondary into post-secondary occupational programs, with relevant work experience provided through work-study at the secondary level and cooperative education programs in conjunction with the private sector at the post-secondary level.

Section 134 of the Vocational Education Amendments provides a 20 percent set-aside of Subpart 3 funds for guidance and counseling programs for youth and adults, and includes authority for States to establish vocational resource centers to meet the special needs of out-of-school individuals. An expansion of this concept, in cooperation with CETA, State Employment Services, and in-school counseling services, could form the basis for central Community Employment and Education Centers. These would provide the needed follow-up and referral services to clients of public service employment programs and others, to assist in locating related education and training programs, and placement in private sector jobs.

With the school dropout rate at 30 percent, and almost one million dropping out of school yearly, the need for guidance services

both in and out of school is more essential than ever.

P.L. 94-482 also requires development of uniform definitions and data reporting for vocational education which will be compatible with occupational information data developed under CETA. Section 161 requires the establishment of a National Occupational Information Coordinating Committee made up of the U.S. Commissioner of Education, the Administrator of the National Center for Education Statistics, the Commissioner of Labor Statistics, and the Assistant Secretary of Labor for Employment and Training. Each state must establish a state coordinating committee composed of representatives of the State board for vocational education, the State employment security agency, the State Manpower Services Council, and the vocational rehabilitation agency. Compatible data and information will greatly facilitate program coordination. Amendments to the CETA legislation which Congress is presently considering should contain a comparable commitment and provide a share of the funding for the establishment of uniform data systems.

In general, coordination of planning and program activities between vocational education and all related programs at the Federal, State and local levels is one of the major thrusts of the new Vocational Education Amendments. A similar thrust should be part of CETA legislative revisions, and should be incorporated into any new legislation designed to reduce youth unemployment. We strongly urge the inclusion in CETA of provisions designed to promote cooperation with vocational education, such as the five percent set-aside for programs in vocational education institutions and incentive bonuses for CETA prime sponsors which make use of vocational education facilities and resources.

A central authority, established either administratively or by statute, should be responsible at the national level for coordinating all efforts and resources relating to education, training, and placement of unemployed youths. All departments and agencies which have responsibilities for programs dealing with the problems of youth unemployment and training should be involved. This would include the Department of Labor, Department of Health, Education, and Welfare, Department of Commerce, Department of Agriculture, Department of Defense, U.S. Employment Service, Veterans Administration, Bureau of Indian Affairs, and possibly others.

A central coordinator would serve as a clearinghouse, mediator, planner and monitor for the delivery of comprehensive services. Similar efforts should be encouraged at the state level and linked to the recommended Community Employment and Education Centers.

As part of this effort to coordinate services, we recommend that there be established a guarantee for a one year-period of employment or training for the hard-core youth unemployed. These would be youth who have unsuccessfully sought employment for 10 weeks and are from low-income families. The guarantee would entitle the individual to a job, to training with stipends, or a combination of employment and training under existing programs, available through participating agencies in the local area. This could be conducted on a pilot basis in 20 or 30 cities and rural areas. It would not require the introduction of new programs although it might mean the expansion of existing programs to honor the guarantee.

Any effort to deal with employment and skill training needs of young people must involve the cooperation and participation of business, industry, labor, and education. We must never look upon

public service employment as an alternative to jobs in the private sector. Public service employment is an interim measure which must be predicted upon government policy to promote economic and job expansion. The private sector must be involved in that policy development, and policies to prepare people for the work force of the future.

NACVE member Walter Kerr, who is President of the Texas Industry Council for Career Education, addressed this subject in remarks to a workshop on Work and Service Education at the National Conference of America's Secondary Schools in Denver, April 25-28, 1976. The economic community and the educational community "need each other," he said. "There must be a system for these two communities to come together to rethink both finance and job opportunities... We must think through possible new dimensions. Many businesses must now retrain employees for specific jobs. Use this resource in the schools and make the job opportunities relevant to teaching and learning."

Business and labor are already involved through apprenticeship programs, on-the-job training, co-op and work-study programs. More innovative approaches must be found to improve the relationship and bring business into the planning system. Business and labor must be encouraged to become more deeply involved in local councils, committees, and community development organizations. Here again, the new Vocational Education Act is taking the lead. Section 105 requires that each local recipient of vocational education funds shall establish a local advisory council which includes representatives from business, industry and labor. The benefits of linkages between these councils and CETA are obvious, as are possible linkages to Community Employment and Education Centers, if such units can be established.

The private sector also has an essential role to play in the kind of activity suggested by Willard Wirtz in his proposal for Education-Work Councils at the local level, and programs designed to ease the transition from school to work.

The National Commission for Manpower Policy has focused on certain innovative new approaches which can succeed only with the full cooperation of the private sector. In its November 1975 Special Report: "Proceedings of a Conference on the Role of the Business Sector in Manpower Policy," it discusses various alternatives to lay-offs and work force reductions. Of particular interest to the present discussion is the concept of recurrent education and training. The report states:

> "Employers could conduct a thorough analysis of the critical occupations in the organization that are vacant or subject to shortages of personnel. Furthermore, some experimentation with the potential for training and development of personnel may open unexpected avenues and reveal the hidden potential of many of the people in the organization. Corporations could also examine the possibilities for a combination of in-service training and off-site training and education at existing vocational and academic institutions in the community.
>
> Employers could view retraining in a broader perspective, namely, retraining for new occupations in lieu of a layoff. In other words, can employers develop programs in their communities to offer their personnel the option of extended retraining in combination with government-financed programs, GI benefits, unemployment insurance, and other public policies? The entire concept of recurring education is expanding and opens another option pertinent to periods of high unemployment."

Close association between industry, labor, education and manpower programs is essential if we are to replace our present patchwork approach to unemployment and training with a more stable

and comprehensive policy. On February 15, 1977, Jack Jennings, Council for the Subcommittee on Elementary, Secondary and Vocational Education of the U.S. House of Representatives addressed the Joint National Labor Market Information Workshop of State Vocational Educators and Employment Security Personnel. He called for better working relationships between CETA programs and vocational education and recommended that amendments to CETA provide for increased cooperation and coordination in a number of areas. The NACVE strongly endorses these recommendations. The Council also shares Mr. Jennings' sentiments when he stated: "We are all dealing with public funds, and our stewardship means we must find the best and most efficient ways to use these funds." The Council would like to add that we are also dealing with the lives and futures of America's youth, and our stewardship means that we must find the best and most effective way to provide them with the opportunities and skills they will need.

SUMMARY OF RECOMMENDATIONS ON YOUTH UNEMPLOYMENT

1. The problem of youth unemployment must be considered in a broad context which includes counseling, education, and skill training.

2. There must be careful and deliberate meshing of programs and total utilization of existing resources at all levels of government in order to provide a comprehensive approach in dealing with the problems of youth unemployment.

3. Secondary and post-secondary vocational education, with its on-going programs, resources, and facilities, should play a major role in the total effort.

4. It should be a general policy that any youth public service job program provide vocational education and training in conjunction with jobs, as well as counseling which takes advantage of the job experience to lead the individual into an education or training program after the temporary employment is terminated.

5. Before starting new programs, Congress should examine existing programs to determine which can be expanded to meet the needs. All programs should be designed to be tightly linked so as to represent a consistent, integrated, and coordinated approach to meeting the Nation's employment and training needs.

6. The Vocational Education Amendments of 1976 (P.L. 94-482, Title II) places strong emphasis on coordination with manpower and other related programs. Congress should incorporate similar requirements in CETA and other legislation dealing with employment and training.

7. There should be established a secondary school youth work-study program for all enrolled, eligible juniors and seniors, with counseling to direct non-college bound students into post-secondary occupational programs. The existing vocational education work-study program could be the basis for this expanded program.

8. The Vocational Education Act authorizes the establishment of community vocational resource centers to meet the special needs of out-of-school individuals. This concept should be expanded, in cooperation with CETA, State Employment Services, and in-school counseling services, to provide for the establishment of Community Employment and Education Centers. These centers would provide follow-up and referral services to clients of public service employment programs, and others, to locate related education and training programs, and placement in private sector jobs.

9. The Vocational Education Act provides funds for the establishment of National and State Occupational Information Coordinating Committees to provide data which will be useful to both vocational education and manpower training program planners. Congress should amend the CETA legislation to provide a comparable commitment and a share of the funding for the establishment of uniform data systems.

10. Amendments to CETA should include provisions designed to promote cooperation with vocational education, such as the retention of a minimum five percent set-aside for vocational education, and incentive bonuses for CETA prime sponsors which make use of vocational education facilities and resources.

11. There should be established at the national level a central authority responsible for coordinating all efforts and resources relating to education, training, and placement of unemployed youths, involving all pertinent departments and agencies. This authority should serve as a clearinghouse, mediator, planner, and monitor for the delivery of comprehensive services. Similar efforts should be encouraged at the state level and linked to the recommended Community Employment and Education Centers.

12. There should be a pilot program which would guarantee a one-year period of employment or training for the hard-core youth unemployed through existing programs, which would be expanded where necessary to honor the guarantee.

13. Greater cooperation between industry, labor, education, and manpower programs must be established to replace the present patchwork approach with a more stable and comprehensive policy.